



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

BULLETIN 2024-2

TO: All Insurance Companies Licensed to Sell Long-Term Care Insurance Products in California

FROM: Insurance Commissioner Ricardo Lara

DATE: May 10, 2024

RE: Principle-Based Reserving - Long-Term Care Annual Aggregate Assessment

California Insurance Code section 1067.11(4)(j) authorizes the Insurance Commissioner to annually assess a company based on the company's gross annual long-term care premium written in California in the preceding year. The intent of the assessment is to defray the costs of principle-based reserving (PBR) valuation and provide a prudent reserve in the PBR fund.

The California Department of Insurance has adopted an aggregate annual assessment for Fiscal Year (FY) 2023-24 of \$1,406,000, as well as the assessment tiers shown in the table below. The Department will invoice companies for FY 2023-24 based on this final tier table.

Insurer's 2022 Annual Premium	Annual Assessment Per Company
\$250,000,000+	\$390,000
100,000,001 - 250,000,000	151,000
50,000,001 - 100,000,000	109,000
40,000,001 - 50,000,000	68,000
30,000,001 - 40,000,000	54,000
20,000,001 - 30,000,000	35,000
10,000,001 - 20,000,000	15,000
5,000,001 - 10,000,000	10,000
1,000,001 - 5,000,000	3,000
<1,000,001	0

For questions regarding the calculation of the assessment, please contact Crista Hill at Crista.Hill@insurance.ca.gov. For billing related questions, please contact the Accounting Services Bureau at arbilling@insurance.ca.gov or (916) 492-3242.